

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE****Infill Infrastructure Grant Program**

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October 8, 2008

TO: All Interested Parties

FROM: Eugene Lee
Chief

SUBJECT: Proposed Guideline Revisions and Stakeholder Meetings
Infill Infrastructure Grant (IIG) and
Transit-Oriented Development (TOD) Housing Programs

In anticipation of issuing the second Notices of Funding Availability in late Fall for the Proposition 1C IIG and TOD Programs, below is a summary of proposed revisions to the respective guidelines. The Department of Housing and Community Development (HCD) will conduct the following stakeholder meetings to discuss proposed guideline changes.

Where to Attend

Infill Infrastructure Grant Program	10/15/08, Wednesday 9:00am-12:00pm	Civic Center Concourse Building 202 C Street Silver Room San Diego, CA
	10/17/08, Friday 9:00am-12:00pm	Ronald Reagan Building 1 st Fl. Auditorium 300 South Spring Street Los Angeles, CA
	10/20/08, Monday 9:00am-12:00pm	400 R Street, Sacramento River Room Sacramento, CA

Transit-Oriented Development Housing Program	10/15/08, Wednesday 1:00pm-4:00pm	Civic Center Concourse Building 202 C Street Silver Room San Diego, CA
	10/17/08, Friday 1:00pm-4:00pm	Ronald Reagan Building 1 st Fl. Auditorium 300 South Spring Street Los Angeles, CA
	10/20/08, Monday 1:00pm-4:00pm	400 R Street, Sacramento River Room Sacramento, CA

Summary of Changes

Infill Infrastructure Grant Program

The proposed changes:

- Clarify the nexus required between the infrastructure funded by the program and the housing it supports.
- Clarify that land zoned or used for agriculture is not an urban use.
- Specify requirements for site control, which is an application threshold requirement.
- Clarify the statutory requirement that replacement housing units in redevelopment areas not be counted towards the minimum 15% affordability requirement.
- Clarify the standards for determining when multiple related developments can be considered a single project.
- Require the cost of funded parking structures must be reasonable, in comparison to the cost of other similar structures, and clarify eligible costs when the program is funding parking structures in buildings that contain other uses.
- Require that the housing supported by the funded infrastructure be financially feasible.
- Clarify that grant funds may be converted to loan funds, where this benefits tax credit developments.
- Clarify the statutory requirement that “Area” applicants be certain types of local public agencies, and not any such public agency.
- Consolidate deadline requirements in one section, and require the housing in the Qualifying Infill Project and Qualifying Infill Area begin construction in five years from the award date.

- Relocate the existing requirement that housing units supported by the award cannot have begun construction.
- Increase in the total maximum available scoring points from 130 to 240, to produce a greater spread between applicant scores.
- For Qualified Infill Projects, increase the relative weight of the project readiness scoring criterion, and reduce the relative weight of access to transit, proximity to amenities, and consistency with regional plans.
- For Qualified Infill Projects, significantly revise how readiness is measured, especially with respect to the extent that other funding is committed.
- When scoring “local support” for both Qualified Infill Projects and Qualified Infill Areas, increase the relative weight of funding commitments, and reduce the weight of letters of support.
- Increase the points available for affordable homeownership units, in both Qualified Infill Projects and Qualified Infill Areas, to make substantially affordable homeownership developments more competitive.
- When scoring access to amenities for Qualified Infill Areas, base the evaluation on the number of amenities per 100 housing units to be developed, rather the number of housing units per acre.
- For Qualified Infill Areas, modestly revise the scale used to award points for committed funding, under the readiness category.

TOD Housing Program

The proposed changes:

- Limit the amount any one applicant can receive in a single funding round.
- Require the housing supported by the program be under construction within five years and completed within 8 years.
- Require a minimum total point score, to give applicants guidance whether to prepare an application.
- Delete a point scoring subcategory that compares drive time vs. transit travel time due to the difficulty in measuring these criteria.
- Allocate points formerly awarded on drive time vs. transit travel time to parking and walkable corridor features.

- Combine two similar point scoring categories, one that awards points to projects located in areas subject to land use plans that supportive of transit oriented development and a second that awards points to projects located in areas specifically designated for transit oriented development.
- Increase points for existing transit-supportive amenities and services.
- Increase points for transit station bicycle access and storage, and combine point subcategories related to the desirability of the walking path from the development to transit.
- Add points for projects located in an area encompassed in economic development elements or comprehensive economic development strategies.

How to Comment

Attend one of the stakeholder meetings or submit written comments to HCD using the required “Guideline Comment Form” **no later than October 31st, 5:00P.**

Full guideline amendment language (strike-out format), summarized guideline changes and reasoning, the proposed point scoring system, and the required Guideline Comment Form will be posted shortly on our websites:

IIG - www.hcd.ca.gov/fa/iig

TOD - www.hcd.ca.gov/fa/tod

Email your Guideline Comment Form to the following addresses and type “Guideline Comments” in the email subject line.

IIG – infill@hcd.ca.gov

TOD – tod@hcd.ca.gov

We look forward to your program participation and ideas.